

289122

JPRS-KAR-84-047

13 August 1984

Korean Affairs Report

19980306 066

DTIC QUALITY INSPECTED 4

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
NATIONAL TECHNICAL
INFORMATION SERVICE
U.S. DEPARTMENT OF COMMERCE
SPRINGFIELD, VA. 22161

DISTRIBUTION STATEMENT A

Approved for public release;
Distribution Unlimited

8
56
A04

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

13 August 1984

KOREAN AFFAIRS REPORT

CONTENTS

INTER-KOREAN AFFAIRS

INTER-KOREAN AFFAIRS

Analysis of North Korean Textbooks (TONGA ILBO, 8 Jun 84).....	1
North Korea and Japan's Renewed Dual Diplomacy (Shin Sung-sun; CHUNGANG ILBO, 18 Jun 84).....	3

SOUTH KOREA

POLITICS AND GOVERNMENT

Daily Hails Ministry's Policy for Campus Autonomy (Editorial; THE KOREA HERALD, 25 Jul 84).....	6
Government Not To Interfere With Hiring of Professors (THE KOREA HERALD, 22 Jul 84).....	8
Election Rallies Held Throughout Nation (THE KOREA TIMES, 22 Jul 84).....	10
Daily Views Parties Electioneering Activities (THE KOREA HERALD, 22 Jul 84).....	12
DJP Seeks Measures To Prevent Abuse of Office (THE KOREA HERALD, 21 Jul 84).....	15
Political Parties Disagree With DJP's Multi-Member District Plan (CHOSON ILBO, 22 Jun 84).....	17

Briefs	21
Supreme Court Justice	21
New Political Party Rumored	21
Government Urged To Lower Budget	21
 ECONOMY	
Transportation Minister Questioned Regarding Taxi Strike (HANGUK ILBO, 13 Jun 84).....	23
Combining of Shipping Companies Discussed (Pak Guk Pyung; SEOUL SINMUN, 15 May 84).....	28
Briefs	32
Foreign-Debt-Reduction Drive	32
Bioenergy Development	32
 SCIENCE AND TECHNOLOGY	
New Media Industries: Present, Future (Yi Hee-chong; CHONJA CHINHUNG, No 4, Vol 6, Jul 84).....	33
 FOREIGN RELATIONS	
Reportage on 1988 Seoul Olympics (Various sources, various dates).....	39
Chon Letter to IOC President	
USSR Expected To Attend	
Communist Participation Urged	
Daily Hails IOC Move	
IOC Members Urged To Attend	
Soviet Sports Scientists	
IOC President Supports Seoul Olympics	
Briefs	46
Embassies	46
Ambassador to Belgium	46
Guatemalan Ambassador	46
 NORTH KOREA	
 POLITICS AND GOVERNMENT	
KULLOJA Table of Contents July 1984 (KULLOJA, Jul 84).....	47
 ECONOMY	
Improvement of Economic Leadership, Management Stressed (Yi Ch'un-kil; NODONG SINMUN, 19 Mar 84).....	48
 FOREIGN RELATIONS	
Briefs	52
O Kuk-yol at Nicaraguan Rally	52

INTER-KOREAN AFFAIRS

ANALYSIS OF NORTH KOREAN TEXTBOOKS

Seoul TONGA ILBO in Korean 8 Jun 84 p 1

[Text] "In a battle, the soldiers of the People's Army destroyed five tanks of the American imperialists, the vicious burglars, and the number of tanks captured was eight more than the ones destroyed. How many tanks were captured?" This is one of the questions in the first grade mathematics text of North Korea.

Also, if we read the national language text used in the higher middle schools, there are more than a few words that we cannot figure out even though they are clearly written in Korean letters. "It is not easy to raise chickens." (Tarc kirugiga joryonchi antadonde.....!!!) "Shot at the enemy, who was recklessly coming on, and stubbornly jumped on him." ("Gebara orunun jokul soabomyonso gomjilgige dalyoduldora") The word "joryonchi anta" is supposed to mean "not easy" (man man chi anta), and the word "gebara oruda" is supposed to mean "recklessly coming on" (jilso opsi magu oruda). The word "gomjilgige" is supposed to mean "extremely excessive" ("jinachil mankum maeu, mopsi").

The 40th year is approaching since the division of the country into North and South. As time passes, the South and the North, each with different systems and ideologies, are becoming increasingly further apart in every field. A clear example of the deepening of the phenomenon of the heterogeneity of North Korea is seen in the school textbooks.

The vocabularies are becoming different, and expressions are becoming unintelligible. Specialists, who analyzed the contents of North Korea's school textbooks, which taught the idolization of Kim Il-song, found distorted historical facts, and stories of war and killings, and are also surprised at the phenomenon of deepening heterogeneity.

The characteristics of North Korea's school textbooks as analyzed by the specialists can be summed up as follows: The contents are designed to praise Kim Il-song like a god and to make people obey him like slaves; the contents which are anti-educational, are designed to indoctrinate people to abandon the value of human dignity; the texts are based on the primitive indoctrination-oriented coercive instillation method which does not recognize the free will of man and creative thinking; and the texts are based on the

alteration of language, which results in the destruction of our people's homogeneity, and on the distortion of the historical facts. The quality of the paper used for printing the textbooks is like that of the 1950's in the South, and the quality of printing is incomparably poor.

Such facts became known for the first time when the TONGA ILBO obtained 41 textbooks of the people's schools and higher middle schools, used either in North Korea or by the General Association of Korean Residents in Japan, and had the research group, composed of specialists from the Korean Education Development Institute, thoroughly examine the contents in order to find out the actual condition of education in both Koreas, and find out the reality of North Korean education.

The objects of this analysis were the school textbooks used in North Korea (13 books) and by the General Association of Korean Residents in Japan (28 books). Eleven were national language books, 11 were social studies books, 5 were mathematics books, 3 were foreign language books, 6 books were for the idolization of Kim Il-song, and 5 were art books.

According to the findings of the analysis, Kim Il-song and his kin are extremely glorified. The number of modifiers used in the prefixes before "Prime Minister Kim Il-song" are altogether 43, and examples include "unequaled patriot, national hero, and ever victorious iron general."

The United States, Japan, the Republic of Korea, and the capitalists are described as an "irreconcilable mortal enemy which is to be killed off gladly, even at the risk of losing your life." Such ruthless and hair-raising expressions as "Let's smash X's skull," or "Let's liquidate X" are freely used in the textbooks.

The study group of the Korean Education Development Institute reported: "It has been confirmed clearly by the current analysis of the textbooks that North Korea's education is fundamentally different from our education, which places a premium on the students' creativity and ability to solve problems.

North Korea has put out a kind of school textbook that is unprecedented in history and unparalleled in any other place, treats them like sacred books, and produces automatons who blindly and thoroughly follow the teachings in those books."

The Korean Education Development Institute concluded that if they continue to educate people with this kind of textbook, the people produced under this system will be tool-like, subservient, and blind, and the danger of deepening the phenomenon of the heterogeneity of our people will grow. It added that there is an urgent need for educating people and informing them about the truth of North Korean education.

12474
CSO: 4107/186

INTER-KOREAN AFFAIRS

NORTH KOREA AND JAPAN'S RENEWED DUAL DIPLOMACY

Seoul CHUNGANG ILBO in Korean 18 Jun 84 p 3

[Article by Shin Sung-sun, correspondent in Tokyo: "Resurfacing Japan's Two-Legged Diplomacy"]

[Text] Japan's move toward rapprochement with North Korea is increasingly noticeable. The Japanese government issued visas to the members of the North Korean Social Science Delegation in mid-May, and this was followed by a show of friendly gestures toward the representatives of the General Association of Korean Residents in Japan who were attending an Afro-Asian Conference held in Algeria in the latter part of May. They were issued exit and reentry visas.

The scheduled North Korean visit on the 21st by Kuno Chuji, ex-president of the League of Parliamentarians for the Japan-North Korea Friendship Promotion, is particularly noteworthy.

As is well known, Kuno, who is a member of the Liberal Democratic Party, the party in power which was created in 1971, and who became the president of the pro-North Korean organization called the League of Parliamentarians for the Japan-North Korea Friendship Promotion, made frequent visits to North Korea, established the Japan-North Korea Trade Office, was instrumental in concluding an aviation agreement, and invited North Korean leaders, including Hyon Jun-kuk, to visit Japan. Thus, he has acted as the window to North Korea.

When he lost the election last November, he also lost the presidency of the League of Parliamentarians for the Japan-North Korea Friendship Promotion. Nevertheless, believing that he is still of use, North Korea has recently extended him an invitation to visit Pyongyang.

It is said that he is visiting North Korea as a private person; however, judging from the attitude of the Japanese government, there is a strong impression that he is being sent to North Korea as a special official envoy.

On the 15th, Prime Minister Nakasone saw him personally and expressed his expectations and encouragement before he left for North Korea.

At that meeting, as a way to find a solution for the pending issues between the two countries, including the extension of the Japan-North Korea Civilian Fishery Agreement, Kuno urged cockily that Japan extend an invitation to the large delegation led by Hyon Jun-kuk, president of the North Korea-Japan Goodwill Association, to visit Japan. In response to this, Prime Minister Nakasone, who was reportedly hopeful about the trip, wished him success in realizing his ideas, and told him that the timing was excellent.

These words clearly testify to the fact that the Japanese government has been seeking such an opportunity.

As if he felt that he might have gone too far with those remarks, he later footnoted them by saying, "Consult with the Foreign Ministry." In spite of that, the same afternoon, the Ministry of Foreign Affairs quickly stated that "it does not intend to block the Japanese visit of North Korean negotiators for the Civilian Fishery Agreement." Thus, it has given the green signal to the North Korean delegation to enter Japan.

The Foreign Ministry tried to justify its action on each occasion, the North Korean Social Scientists' visit and Kuno's visit to North Korea, by saying that "these do not suggest that the sanctions are being relaxed for the Rangoon incident," nevertheless, the actions on the party of Japan seem to suggest that it is closer to North Korea now than during the period prior to the imposition of the sanction.

About the Japanese government's changing attitude, the Japanese mass media either defend the government's position by saying that it is an appropriate measure for the Japanese government to take in response to the international move for easing tension on the Korean peninsula" (June 9, NHK), or they try to explain the government's move as if it is the proper response to North Korea's move toward rapprochement with Japan (YOMIURI newspaper, 19 June). But Japan's approving of the visit of a large North Korean delegation and at the same time inviting the president of the Republic of Korea to visit Japan cannot help but be considered as a revelation of its two-legged diplomacy, through which Japan has laid bare its true character.

Of course, Japan's dual diplomatic practice is nothing new. Japan's relations with North Korea had cooled upon Hyon Jun-kuk's return to North Korea after he was warned and humiliated by the Japanese government for his political propaganda activities during his June 1981 visit. When a snag developed in negotiations for the extension of the civilian fishery agreement which Japan wanted, Japan tried to woo North Korea repeatedly.

In the spring of 1983, during the first term of Prime Minister Nakasone, Foreign Minister Abe Shintaro talked about improving its relations with North Korea on many occasions. It is still remembered clearly that he was taken aback when he was met by our government's protest over his making overtures to North Korea.

Subsequently, when the Rangoon assassination incident developed, the Japanese government took steps to impose sanctions as if it were ready to take a stern attitude toward North Korea. Now, the Japanese government is again extending its hand to North Korea.

12474

CSO: 4107/182

S.KOREA/POLITICS AND GOVERNMENT

DAILY HAILS MINISTRY'S POLICY FOR CAMPUS AUTONOMY

SK250044 Seoul THE KOREA HERALD in English 25 Jul 84 p 4

[Editorial" More Campus Autonomy"]

[Text] The government will refrain from interfering with the faculty hiring policies of private universities and colleges. Over the weekend, Minister of Education Kwon E-hyok told reporters that private educational institutions would no longer be required to get his ministry's approval before hiring faculty members.

Kwon said "it is not desirable" for the government to interfere with matters colleges can better handle on their own. This is part of the government's ongoing policy to expand universities' administrative autonomy.

We welcome the latest government decision and consider its measures for increased campus autonomy to be well advised. Also drawing our interest is Kwon's suggestion that his ministry will consider allowing private universities and colleges to fix their tuition rates in order to help relieve them from their longering financial difficulties.

The government's basic reasons for having adopted the prior-approval system were sound, but that policy caused some undesirable effects.

Thus our hope is that the leeway given to universities in employing faculty members will eliminate such unsavory effects.

Under the prior-approval system, faculty members had to meet certain criteria to be retained in their original position. Government endorsement of their continued employment was required.

From now on, however, school authorities will hire staff without governmental intervention. Nonetheless, we believe that proper institutional standards should not be phased out if high academic standards are to be insured.

Under the prior-approval system, professors who produced no research projects and who are judged incapable of properly guiding students are subject to not having their contracts renewed. Professors whose side jobs prevent them from performing their teaching obligations also are subject to dismissal.

Regrettably, there are some professors who have conducted no meaningful research projects to broaden their expertise.

Such lax attitudes have damaged their personal reputation as well as hampered the academic environment on campus.

Some universities seem to have abused the system of requiring the government's consent to eliminate professors for personal reasons. In such cases, it seems, they passed responsibility for their unfair behavior to the government.

Discord is liable to develop in private learning institutions--between school foundations and administrators or between school authorities and professors. But this should under no circumstances be allowed to influence decisions to retain certain personnel.

Professors are entitled to know what criteria would be considered in a school's decision to terminate their employment.

All privately operated universities and colleges should use the expanded autonomy as an occasion to ensure a more enriched academic environment.

CSO: 4100/188

S.KOREA/POLITICS AND GOVERNMENT

GOVERNMENT NOT TO INTERFERE WITH HIRING OF PROFESSORS

SK230041 Seoul THE KOREA HERALD in English 22 Jul 84 p 1

[Text] The Ministry of Education will not interfere with private universities and colleges in employing and promoting professors, Minister Kwon E-hyok said yesterday.

Minister Kwon also said he will consider allowing private institutions of higher learning to set their own tuition fees.

In a meeting with reporters in Pusan, Kwon said, "I think it is not desirable for the government to interfere in matters colleges can handle on their own. In employing faculty members, private universities and colleges will not be required to obtain approval from the ministry."

Kwon met with the reporters while he was on an inspection tour of education institutions in Chollanam-do, Kyongsangnam-do and Pusan.

The education minister also said the number of documents required of newly recruited professors will be reduced from the current eight to four.

He also said he has felt the need to allow private universities and colleges to decide on tuition autonomously, in order to help relieve them from financial difficulties they suffer. "This matter will be discussed between the Ministry of Education and other ministries concerned with economics," he said.

Asked to comment on some universities which have not been readmitting dismissed professors, Kwon said, "It is their own matter. The ministry does not have any say on that matter."

Universities and colleges will be allowed to issue certificates to those who cannot obtain diplomas because of graduation quota requirements but the percentage should not exceed 7 percent of the enrollment, Kwon said.

To help promote the establishment of private kindergartens, the ministry is planning to allow private kindergartens to charge tuition on their own. So far, ceilings on kindergarten tuition have been set by superintendents of education boards.

Kwon also said private elementary and middle schools will be encouraged to set up kindergarten and colleges with infant education departments will be required to have kindergartens of their own.

Unauthorized kindergartens will be advised to be equipped with adequate facilities and teachers by the end of this year. When they do so, they will be authorized as formal teaching institutions.

CSO: 4100/188

S.KOREA/POLITICS AND GOVERNMENT

ELECTION RALLIES HELD THROUGHOUT NATION

SK230043 Seoul THE KOREA TIMES in English 22 Jul 84 p 1

[Text] Numerous public rallies are being held in the provinces during these days of summer recess, in premature vote-gathering efforts by incumbent National Assemblymen.

They take the form of "solidarity" meetings of party chapter members or "parliamentary activities reporting sessions." While an early election campaign is illegal, such events are allowed as ordinary functions of lawmakers.

Inevitably, the financial scandal involving the Democratic Justice Party's former chairman Chong Nae-hyok and the Daeji Engineering Consultant Company's land grabbing on Cheju Island, are picked by oppositionists as main topics to assail the ruling camp.

The rallies mostly take place at scenic spots where many picnickers are gathered. Often, non-partisans are encouraged to come and listen to the opposition lawmakers' political speeches.

Wary about the growing impact of these opposition activities on the constituents, the DJP asked its members of provincial chapters to "investigate and report" such events in their areas.

The DJP instruction touched off an instant reaction from the opposition camp, which denounced the DJP's "lack of sincerity" concerning the recent incidents.

To counter the opposition offensive, DJP lawmakers are out to explain the true financial status of Chong, while pronouncing the party's new resolve to carry on "clean politics."

For example Rep Jeong Sichae told the townspeople of Haenam, Cholla-namdo, that Chong Nae-hyok's wealth was in fact the outgrowth of 50 million won he received as a severance allowance from the Korea Electric Co, which he once headed.

Other lawmakers make the point of the government party's "fair play" as shown in "publicizing" the scandal without any attempt as a coverup.

Reps Pak Kwon-hom of Kyongju-Wollsong and Han Pyong-chae of Raegu and others, have held rallies of party members to pledge "clean living."

Much effort is also being made by some incumbent assemblymen to deny rumors of their certain failure to get party nomination.

Representatives from the major opposition Democratic Korea Party are not only holding "solidarity" rallies in their districts, but are participating in such events in other areas to help party colleagues.

Five to six DKP lawmakers are present at most such rallies in the provinces to take turns making barrages of attacks on the ruling camp.

Reps Son Chong-hyok, Sin Chae-hyu, So Chong-yol and Kang Won-chae, national constituency lawmakers who are now seeking to run in districts, are now distributing "reports on parliamentary activities" to the residents of their targeted areas.

Assemblymen whose districts suffered severe damage in the recent torrential rains are busy delivering relief goods, which they have personally purchased or collected from social services organizations.

CSO: 4100/188

S.KOREA/POLITICS AND GOVERNMENT

DAILY VIEWS PARTIES ELECTIONEERING ACTIVITIES

SK230047 Seoul THE KOREA HERALD in English 22 Jul 84 p [not given]

[Text] As the National Assembly is in recess, both ruling and opposition party lawmakers are now engaging in various activities in their respective electoral districts, seemingly in preparation for the next general elections.

"It's like the political arena has been moved from Seoul to regional areas," said a political observer.

The most conspicuous of the activities include "rallies to confirm the unity of supporters," which are generally out-door training camps or meetings organized by the lawmakers in the name of making reports on their "parliamentary achievements" to their respective electorates.

Without exception, towels or other gift items are presented and meals are often served to participants. Hence, it gives an impression that lawmakers, particularly those who are eager to run in the next elections, have in effect launched vote-gathering activities despite the concern expressed by political leaders about the creating of an election mood prematurely.

Opposition party legislators, in their political offensive against ruling party lawmakers, are trying to take best advantage of the scandal involving the wealth of former ruling party chairman Chong Nae-hyok development.

Ruling party legislators, on their part, have to fight particularly hard because of the "Chong scandal."

Chong resigned as chairman of the Democratic Justice Party (DJP) late last month in connection with the scandal. He also gave up his parliamentary seat.

The Chong affair drew much public criticism. A petition alleged that Chong had accumulated 17.8 billion won in assets by using his political influence. Chong denied the charge.

Later, the Office of National Tax Administration valued Chong's entire wealth at 10.6 billion won and announced that Chong had evaded more than 300 million won in taxes.

Most DJP lawmakers, at the moment, appear plagued by the scandal which came as a great surprise to politicians as well as to the public.

A party legislator confessed that the Chong case has put a "heavy burden" on himself as well as on his party. "In these days, my conversation with voters in my electoral district always starts with the words, 'I'm sorry for....'"

The party's new chairman, Rep Kwon Il-hyon, said that the party "received a lot of wounds because of the Chong case." Many other lawmakers of the party said they had no proper excuse for the scandal.

The government party, mindful of the next elections, is turning the other cheek to a blast of criticism from the public, while appearing keen to improve its image.

Several days after the outbreak of the scandal, the party held a caucus and renewed its efforts to pursue "clean politics."

In a five-point resolution adopted at the end of the meeting, party legislators pledged that they will maintain high standards in their private, as well as their official, lives.

The party is moving to placate the people, particularly the farmers--the mainstay of DJP support--by pledging to practice politics cleanly and reconsider unpopular farm policies, including one regarding farm land taxes.

But opposition party lawmakers, particularly those of the main opposition Democratic Korea Party (DKP), are attacking the ruling party, taking advantage of the Chong affair.

In a resolution adopted at a DKP lawmakers' meeting early this month, the opposition party demanded an en masse cabinet resignation, asserting that the government is no longer capable of conducting national administration.

The resignation of the cabinet, the four-point resolution explained, is required to "breathe new life into the present political situation" in the wake of the scandal over the vast wealth of a former ruling party leader.

The resolution also demanded a DJP apology to the nation for the Chong scandal, saying people are disillusioned by what it called a deceptive campaign by the ruling party and the government for the construction of a just society.

An outspoken DKP lawmaker, however, said that his opposition party as well as the ruling party has faced bitter criticism by the people following the Chong scandal.

Kim Hyon-kyu, chief policy planner of the DKP, said that his party was being criticized for showing a "lukewarm attitude" in a recent parliamentary debate on the Chong affair.

Some other DKP legislators said that, needless to say, people are critical of Chong and the ruling party, and alleged that the scandal has led the people to distrust "all politicians."

Opposition party lawmakers, including those of the Korea National Party (KNP), are taking the offensive against the government party by also taking issue with the question of the nation's transition to full democracy. They are appealing to voters, emphasizing the need for an early implementation of local autonomy.

The opposition parties have long demanded that local autonomy first be introduced in Seoul, Pusan and some other big cities because they have already attained financial self-reliance. However, the government and the ruling party are still seeking to earn time by saying more study is needed for the successful revival of the autonomy system.

As expected, opposition legislators are attacking the ruling camp by asserting that the DJP's commitment to the introduction of local autonomy is nothing more than a slogan.

DKP floor leader Im Chong-ki earlier demanded that the autonomy system be introduced before the country hosts the Asian Games in 1986 so that a popularly elected Seoul mayor, for instance, can play host to the Seoul Asian athletic events.

CSO: 4100/188

S.KOREA/POLITICS AND GOVERNMENT

DJP SEEKS MEASURES TO PREVENT ABUSE OF OFFICE

SK210033 Seoul THE KOREA HERALD in English 21 Jul 84 p 1

[Text] A plan to place the registered assets of ruling party officials under the management of another person in a "blind trust" arrangement is now being studied by the Democratic Justice Party.

Yi Sang-chae a vice secretary general of the Democratic Justice Party (DJP), told a gathering of the party's 500-strong administrative officials yesterday that any form of real estate speculation by DJP members would be strictly monitored.

It may be desirable, he said, that the management of registered properties be entrusted to third persons to keep DJP officials from accumulating wealth by means of real estate speculation.

To date, land, houses and buildings, particularly those in Seoul and its vicinities, have been major areas for speculation as prices there have registered increases higher than bank interest rates.

Yi reaffirmed that the DJP is now working on revisions of its rules to make it obligatory for lawmakers and senior administrative officials to report to the party any significant changes in their assets. Currently, such property change reports are submitted in each January. Only fixed properties are affected.

Yi said his party will study the possibility of forming an in-house panel to screen registered assets.

Until now, political parties and government agencies have avoided a thorough scrutiny of registered properties, hence lawmakers' registered assets were not made public.

To avoid any wealth-related scandals similar to the case of Chong Nae-hyok, Yi stressed that priority in the nomination of party candidates for the National Assembly should be given to their personal integrity. Chong resigned as DJP chairman late last month in connection with a scandal involving his vast wealth.

Top DJP officials recently hinted that those with considerable assets or whose integrity is in doubt will be denied opportunities to run for seats in the National Assembly.

A high-ranking party official Thursday stressed that members' properties accumulated before the inauguration of the Fifth Republic should pose no major obstacles to their continuing in public life. But he indicated that those suspected of having amassed personal fortunes through "unsavory means" such as real estate dealings should be weeded out.

Touching on the Chong affair, Yi said that the people generally wanted law-enforcing officials to focus their probe on whether the former DJP official used his political influence to accumulate his wealth. Recently, the Office of National Administration announced that Chong had evaded more than 300 million won of taxes, while accumulating 10.6 billion won in personal assets.

CSO: 4100/188

S. KOREA/POLITICS AND GOVERNMENT

POLITICAL PARTIES DISAGREE WITH DJP'S MULTI-MEMBER DISTRICT PLAN

Seoul CHOSON ILBO in Korean 22 Jun 84 pp 1, 3

[Text] At the third meeting of the three parties' secretary-generals, held on the 21st to discuss the election law reform, Kwon Ik-hyon, secretary-general of the Democratic Justice Party (DJP), formally proposed the one-to-three-member district plan under which those low population electoral districts of under 300,000 people elect one assembly representative, and where those with a high population elect three. The plan was proposed in order to solve the problem of inequity between the low and high-population density districts in the current National Assembly electoral districts, but no specific progress was made, as their views were conflicting. They agreed to continue their discussions at the fourth meeting on the 25th.

In response to the proposal of Secretary-General Kwon, Yu Han-yol, secretary-general of the Democratic Korea Party (DKP) rebutted: "If the DJP is to insist on the principle of proportional representation like that, we must rescrutinize the whole election law system from square one. Let us first take up such basic questions as the complete overhaul of the way the at-large seats have been distributed, and the size of the electoral districts, either small or large." He went on to make his position clear by stating that "since the current two-member district system was the product of the Yushin period, the DKP does not intend to hold fast to it."

Shin Chol-kyun, secretary-general of the Korea National Party (KMP), appeared to go along with the DJP to the extent of examining the proposal, and at the same time, he also urged the adoption of the proposal that the KNP had already submitted, which proposes the multi-member district system with at least two seats.

Reportedly, Secretary-General Shin maintained that the size of the single-member district should be reduced drastically in consideration of the nature of the regional representation of rural areas. He pointed out in this connection the fact that the single member district, which is under consideration by the DJP, is mostly in the rural areas.

But on that day, the secretary-generals of the three parties agreed to increase the current number of voting and vote-counting observers at each polling center from 8 to 12, who can be replaced at any time by merely

reporting the change to the election administration committee concerned. They also agreed to increase the number of observers who accompany the ballot box when it is shipped to the district election administration committee, from the current one to any number below 10. No agreement was reached on such questions as the KNP-proposed issuing of the voters' list, and KNP-proposed toughening of the penalty for the involvement of public officials in elections.

On the other hand, on the question of restricting the independent candidacy of those who resign from a political party after a certain specified time, which was brought up during the second meeting on the 20th, Secretary-General Kwon of the DJP made his position clear as follows: "The current rules ban the candidacy of only those who resign from the party after the official announcement of the election is issued. Therefore, if we can agree on the tightening of the restriction on the independent candidacy, I think that 6 months must be made the basic period in view of the law which stipulates that public officials who are running for the National Assembly must resign from their positions 6 months before the expiration of the term of the assemblymen." This suggests that debates on the question of restricting the independent candidacy were intense.

On the other hand, it was learned that the DKP maintained a negative position on the issue by arguing that the restriction of the independent candidacy would restrict the sovereign rights of the people.

Extra Talk

Replacement of Observers

The one-to-three member electoral district plan, proposed by the DJP, had the chance to "be born formally" when Secretary-General Shin Chul-kyun of the KNP spoke at the third meeting, attended by secretary-generals of the three parties on the 21st.

Officially, the existing policy of the DJP has been to "hold fast to the current election law." Since the nature of the proposal was as such, the DJP could present it with dignity only when the KKP first brought up the question of electoral district size. But the DKP did not speak first as far as the question of readjusting the regional electoral district system was concerned, believing that it should avoid the turbulence which might be stirred up by this issue. On that day, before he went into the meeting, Secretary-General Kwon Il-hyon told reporters half-seriously and half-jokingly that "the opposition will have to bring up the issues such as equality in vote value and the increase in the number of electoral districts, but they try to escape these questions. How can I initiate the one-to-three-member district proposal?" This kind of talk reveals the story.

Finally, toward the end of the day's meeting, serious discussions began when Secretary-General Shin of the KNP brought up their proposal for the multi-member district system. Secretary-General Yu Han-yol of the DKP countered with the prepared arguments for a complete overhaul of the election

law system. He attacked the DJP in these words: "Unprincipled selfish party interests and strategies are behind the DJP's move to mix-up the small and medium-size electoral districts by introducing the single member electoral district system in many of the districts with populations under 300,000, making bates of the few small size districts with populations 200,000. The ulterior motive is to split the opposition forces, while talking about a peaceful transfer of power."

Reportedly, they spent more than an hour arguing before they reached an agreement on the increase of the number of voting observers and their free replacement. This was one of the positive results of the meeting. Initially, Secretary-General Kwon opposed the idea of free replacement even though he went along with the idea of increasing the number of observers, but he later countered by proposing that "the free replacement be made possible only with the permission of the election administration committee concerned, if it is truly desired". But Secretary-Beneral Yu of the DKP protested the use of the word "permission." Finally, they settled on the word "report." On the question of issuing copies of the voters' list, in spite of the repeated demand, Secretary-General Kwon persistently refused to go along by saying that, "yesterday evening at a party-government policy adjustment meeting, I again asked the home minister about this question. He said that it is almost impossible with the present administrative ability."

Small Electoral District Declared

The offensive and defensive verbal war between the DJP and the DKP on the question of the one-to-three member electoral district system prompted the DJP to drop a bombshell when it declared: "If the DKP formally proposes the small single-member district system, we are prepared to go along with it."

If indeed the samll electoral district system is adopted, not only will the current 92 electoral districts need to be wholly rearranged, but the enormous "storm and fallout" deriving therefrom would inevitably shake the whole country. But on the afternoon of the 21st, following the meeting of the three secretary-generals, Kim Yong-tae, spokesman for the DJP, expressed his dissatisfaction with the attitude of the DKP when he met with reporters at the central party headquarters. He said: "The one-to-three-member district plan is a very appropriate proposal, which has taken into consideration such aspects as population representation and area representation. This is our party's official argument; however, since the DKP does not intend to go along with this plan, we are prepared to accept the DKP's proposal for small electoral districts if it is presented."

Although spokesman Kim repeated the words "prepared to accept" in response to the questions of reporters who tried to confirm the story, many wondered if the statement was not made on the spur-of-the-moment out of anger and frustration. A party source added: "The DJP has come up with the plan of the one-to-three member district system after a serious study of the problem of uneven distribution of population, which had been pointed out by the opposition for a long time. Now that the proposal is out on the table, the DKP has changed its position by calling the plan deceitful to the people, and it even threatens to boycott the current two-member district system."

Since the situation is as such, the DJP can make that sort of a statement, can it not?" Realistically, there is no possibility for the DKP to propose a small-size electoral district system; however, if both the DJP and the DKP make irresponsible and wild statements like that on the spur-of-the-moment out of anger, some would worry that they might really make some sort of blunder.

Independent Candidacy

Mr Om Yong-dal, who had joined the party following the lift of a ban on his political activities, left the DKP. Among the freed old politicians who were invited to join the party, this was the first case that a party member left the party because of having no assurance of getting the party's nomination in the forthcoming election. On the 21st, Mr Om explained his reasons for leaving the party as follows: "Above all, I realized that I would not be able to run for the National Assembly as an independent candidate if I did not leave the party now, since there was talk during the negotiations for the reform of the election law, regarding a ban on the candidacy of those who leave the party within 6 months after the official announcement of election."

Mr Om, whose electoral district (Yongwol-Pyongchang) would be the same as Assemblyman Ko Yung-ku, went on to say: "If I cannot run again at this time due to not getting the official party nomination, my political life would end."

Mr Yi Chung-je, who joined the party at the same time as Om, expressed his concern by naming specific people like Mr K and Mr L. and said: "Those who desire to run will be likely to cause a chain reaction, depending upon the direction of the negotiations on the election law. The party must act quickly."

12474

CSO: 4107/185

BRIEFS

SUPREME COURT JUSTICE--Seoul, 16 Jul (YONHAP)--Chief Judge of Seoul Criminal District Court Kim Hyong-ki was informally designated as the supreme court justice to succeed Kim Chung-so, who retired recently, court sources said Monday. The 55-year-old Kim is a graduate of the Seoul National University Law School, and began his career as a judge in 1960. He served as a judge in Taegu District Court, Seoul Criminal District Court and chief judge of Seoul Criminal District Court. Kim will be appointed as a supreme court justice by the president on the recommendation of the chief justice of the Supreme Court. [Text] [Seoul YONHAP in English 0613 GMT 16 Jul 84 SK]

NEW POLITICAL PARTY RUMORED--Rep Yu Chi-song, president of the main opposition Democratic Korea Party, said yesterday that politicians who seek to make a comeback should attack the ruling Democratic Justice Party rather than the DKP. Commenting on the recent moves of some political dissidents for the first time, the DKP head said, "Only the total unity among oppositionists will enable us to realize a peaceful transfer of power." He said he heard that a new political party of "an opposition nature" will be founded, led by a group of political dissidents. "They should not attempt to snatch house seats of the DKP in the next election, and should instead make a target of the DJP." The dissidents' group Yu mentioned inaugurated the "Consultative Council for the Promotion of Democratization" early this month, and opened an office in a downtown building in an apparent move to warm up for the forthcoming elections. [From the column "Press Pocket"] [Text] [SK210035 Seoul THE KOREA TIMES in English 21 Jul 84 p 4]

GOVERNMENT URGED TO LOWER BUDGET--The main opposition Democratic Korea Party (DKP) yesterday urged the government to fix the estimated increase of revenues of the fiscal 1985 national budget at seven percent or less over this year's. The government is said to have worked on a plan to increase the revenues for fiscal 1985 by 9.7 percent. A package of budget proposals worked out by the party's Policy Deliberation Council called on the government to cut the 9.7 percent increase to 7 percent or less to ease the tax burden on wage earners and small businesses. It said the DKP plans to submit revisions of the Income Tax Law to the National Assembly for deliberation during the regular parliamentary session opening Sept 20. Referring to the expenditures for fiscal 1985, it called upon the government to freeze them, except for general spending, including salaries for public officials. At the level of

this year to keep the balance in the black. The package also asked for a "drastic cut" in defense spending, educational subsidies and money to support provincial governments, and reserve fund. The money cut from them should be used for economic development, it said. The country's defense spending has long constituted 6 percent of the gross national product. [Text] [SK210039 Seoul THE KOREA HERALD in English 21 Jul 84 p 1]

CSO: 4100/188

S. KOREA/ECONOMY

TRANSPORTATION MINISTER QUESTIONED REGARDING TAXI STRIKE

Seoul HANGUK ILBO in Korean 13 Jun 84 p 3

[Article: "Interpellation to Transportation Minister Regarding Taxi-Drivers' Strike"]

[Text] Questions by DKP (Democratic Korea Party) Assemblyman Yun Ki-dae: According to the Seoul Taxi-drivers Labor Union, there have been more than 100 cases of sitdown strikes and work stoppages throughout the nation, and 30 cases in Seoul alone. What are the basic causes of such disputes?

Would the Transportation Ministry continue to insist that the responsibility for such labor disputes lies solely with the Labor Ministry? In December of last year, at the Daeryun Transportation Co in Taejon, the head of the union suffered a serious injury and a broken nose as the result of a gang assault by the drivers who suspected his collusion with the entrepreneurs. This was in protest of the arbitrary raising of fees payable to the company, without union consent. Kim Ku-ung, a taxi driver, burned himself to death in the company office in protest of the dismissal of his sworn brother by the company without good cause. Are you, Mr Minister, aware of these incidents?

Questions by KNP (Korea National Party) Assemblyman Kim Yu-bok: The group demonstrations staged by the taxi drivers were an expression of dissatisfaction with the government's policy of favoritism for the large industries. Despite the fact that the formation of a union is legally protected, recently, the Taegu Taxi Drivers Union was dissolved. In spite of the promise of correcting the irregular management system of the taxi company, the promise was never kept. Moreover, the minister had stated that he would put the salary system into effect.

Why can you not put it into operation? The company is primarily concerned with the increase of the fees payable by the drivers to the company, as the company expects profits from its investment in the taxis for which it has paid an exorbitantly high premium. As a reaction to the fee increase the drivers' operating behavior is getting rough. I believe that the minister ought to assume the responsibility for such developments.

Questions by DJP (Democratic Justice Party) Assemblyman Kim Ji-ho: Since the effect of the fare system on the basis of both time and distance may be meaningless in some regions, it seems desirable to introduce a fare system

which differs between urban and rural areas. The uniform fare system throughout the country should be reformed. Please explain in detail the time and distance fare system, and the profit margin in relation to the original investment. The onesided fees charged to the drivers and the accident liability on property should be readjusted.

Are you interested in reviewing the more than 200 current rules and regulations which bind the drivers? For the improvement of the welfare of the drivers, who work over 18-20 hours a day, a nationwide unionization should be realized.

Questions by DJP Assemblyman Hong Sung-wu: The difficulty in getting a taxi should be resolved by issuing an unrestricted number of private individual taxi operation licenses, not only to those accident-free drivers, but to all qualified drivers. What do you think of providing medical insurance benefits to all drivers and putting them on a salary basis?

Are you prepared to start the time and distance fare system prior to the installation of the taxi operation recorder and electronic meter?

Questions by KNP Assemblyman Yi Pil-wu: What do you think of abolishing the change for ride-sharing activities?

The government's sudden turnaround from its earlier policy of encouraging ride-sharing to a crackdown on it displays administrative power, which not only endangers the livelihood of the drivers but arouses their emotions. Is it true that the government is not accepting applications for private taxi operation for those who have worked abroad?

Questions by DJP Assemblyman Yu Kun-hang: In preparation for the completion of the construction of subway lines 3 and 4 next year, the government must decide in advance what the functions and the roles of the taxi should be, and then develop a traffic administration accordingly. Is this not right? The people are not happy about the taxi drivers' demonstrations, which are viewed as a conflict between labor and the entrepreneurs. Without picking solely on the act of the taxi drivers' group demonstrations, the government must develop a policy to make the taxi a pleasant means of transportation. In preparation for the 1986 Asian Games and the 1988 Olympics, and in order to attract tourists, we must develop a taxi system suitable to the internationalized world. By putting a taxi fare system on the basis of distance and time into effect, an optimum level of profits for the entrepreneurs and remunerations for the drivers should be assured. Are you prepared to convert the licensing system for the taxi drivers to one of certification of qualification by toughening the drivers' qualifications?

Questions by KDP Assemblyman Yon Je-won: Is it possible to readjust the unreasonable grading criteria in issuing licenses to private taxi operators, and to extend the present age limit of 55 for private taxi operators to 60? Would you clarify how you are dealing with the nine demands of the taxi drivers in Taegu and the five demands of the Busan taxi drivers? I understand that you are planning to introduce a salary system in place of the fee system. What do you think would be the proper salary for a driver?

Questions by DKP Assemblyman Hong Sung-pyo: On the problem concerning the fees payable to the company by the taxi drivers, the people living in the cities take interest in the issue, but the rural population seems indifferent. Despite the fact that the rural people would like to see the expansion of the licensing for private individual taxi operators, the government is now only concerned with Seoul and Taegu. A solution must be found to the difficulty experienced by rural people who often have to walk between 50 and 100 li to find a taxi. All of the taxi companies are busily engaged in behind-the-scene lobbying activities while talking about their debts. What do you think of turning the taxi industry over to private individual operators by ending the licensing of the corporations?

Questions by DJP Assemblyman Kim Hung-su: If a taxi company can survive even after the fees payable to the company are cut by between 5,000 and 10,000 won, does it not indicate that the Ministry of Transportation is concerned only with the excessive profit of the entrepreneurs? Presently it seems that the taxi drivers are choosing riders rather than the riders choosing the taxi. It is said that the premium for a taxi is 15 million won. How long can you tolerate such a phenomenon? Since the discourtesy of the taxi drivers is a reflection of the societal problem, do you not think that such a problem should be dealt with from the standpoint of the purification of society?

Questions by DKP Assemblyman Cho Jung-yon: For 3 years, from 1978 to 1980, the merchant marine industry, which made a profit of 300 billion won, either invested its capital in real estate and securities or invested abroad during the period of economic prosperity. Does this not contrast with the treatment of the taxi drivers who need special financial help when instead it was given to the merchant marine industry on the grounds that it now experiences economic depression?

Is it necessary to punish the person whose livelihood depends solely on operating a taxi with electric shock, while helping the merchant marine industry of multi-billionaire tycoons? Is the rural area really on the side of the have-nots?

Questions by DJP Assemblyman Gu Yong-hyon: According to the Ministry of Transportation's policy toward improving the operations of the taxi industry, the monthly income of the driver who is presently making 400,000 won a month will be between 280,000 and 290,000 won when the new policy goes into effect. Would you please clarify whether this is an improvement or a deterioration? When the taxi fare system based on time and distance goes into effect, do you foresee any problems with road conditions and the burden on the people in cities? Is there a basic plan on the level of the optimum number of taxis?

Questions by DKP Assemblyman Kim Un-ha: Why is it that the Ministry of Transportation is partial only to the entrepreneurs? According to the current labor union law, the resolution of an organizing meeting attended by more than 30 persons is required to establish a labor union unit. Why does the Ministry of Transportation break the taxi companies into smaller

independent companies with 20 taxis each in Seoul and 10 taxis each in other cities? Can the government still avoid the criticism that it is closely in collusion with the entrepreneurs? At least, the Ministry of Transportation must protect the drivers first.

Questions by DJP Assemblyman Kim Suk-hyon: What do you think of integrating the small enterprises instead of establishing new large taxi companies with more than 500 taxis? According to the Ministry of Transportation, the income of the driver is 400,000 won for 14 days work. On what basis did the Ministry arrive at these figures? Is it not true that it relied only on the story of the entrepreneurs?

Questions by DJP Assemblyman Yi Sung-bae: Putting the taxi drivers on a salary system is an ultimate goal. In the event that the salary system is put into effect, a driver should receive a total of 430,000 won a month which includes 290,000 won of the current basic pay, the achievement pay, and a bonus, plus other incomes in accordance with the sources of the Ministry of Transportation. Do you think such a salary would be possible without increasing the burden of the people and the users?

The taxi fare system on the basis of time and distance implies a substantial fare hike, and there is a possibility of increasing the burden of the people. It seems that before putting this system into effect, restrictions on the operation of the private vehicles in the city centers and the improvement of the services of the transportation vehicles, such as the buses and the subways, must come first. What is your view on this?

Answers by the Minister of Transportation, Son Su-ik: As for dealings with the violation of traffic laws, the form of penalty is being changed from the old physical penalty on the vehicle and entrepreneurs, to a penalty on the property such as fines. Since the drivers feel intimidated by punishment, it is recognized as a problem area in the transportation administration. I intend to seek improvement in this problem area in consultation with the agencies concerned.

As to the regional flexibility concerning an increase in the number of taxis, currently, if the increase is at least 10 percent, the provincial governor is empowered to issue permits, and if the increase falls below 10 percent, he is required to report to the Ministry of Transportation. Thus, an increase of more than 10 percent is encouraged.

I do not intend to extend the period for those time-limit taxis whose time is expiring. Last year, the National Assembly extended the conversion period by 3 years, during which time qualified time-limit taxis could become privately operated taxis. This is the only change.

The direct management of trucks will be put into effect after studying the related problems. The most important thing in putting the taxi fare system on the basis of time and distance into effect is the daily business distance. Recently, the taxi businessmen's conference demanded 375 km for the basic daily distance of operation. In addition to this question, the criteria for

the time and distance fare system will be established through public hearings in September and October.

The ideas behind the plan to organize large taxi companies are as follows: by enlarging the operation, the basic costs would be cut through rationalizing the management; service would be improved through scientific operations; and working conditions of the drivers would improve since the drivers would not have to feel any longer that they do not belong to their company permanently or that they have no future because of the current criteria for licensing the small operations.

I foresee that there will be mutual checks between the small companies and the large companies. This is not an absolute plan. Although there is a need to readjust the grading system somewhat, such as the order of issuing the private taxi operation licenses, the basics will not be disrupted. According to the sources of the Traffic Research Office of the Korean Institute of Science and Technology, the taxi's share of the proportion of traffic after the opening of the number 3 and 4 lines of the subway will be reduced to 13.9 percent in 1986 from 15.3 percent in 1982. I personally hope that the taxi will become a more high class means of transportation; however, the linking of the buses, the subways, and the parking facilities must be ready beforehand.

There is a problem in turning the taxi business 100 percent over to private individual hands. As has been seen in the case of Japan, as the income level rises, they tend to be absorbed again by taxi companies.

12474

CSO: 4107/179

S. KOREA/ECONOMY

COMBINING OF SHIPPING COMPANIES DISCUSSED

Seoul SEOUL SINMUN in Korean 15 May 84 p 5

[Article by reporter Pak Guk Pyung of the City Editor's Section: "Shipping Companies Reorganized Into 17 Groups"]

[Text] The first stage of the rationalization plan to rescue the Korean shipping industry, which has been sinking into a crisis, is completed.

The reasons the government entered into the large operation on the shipping industry is that the shipping companies have had difficulty in sailing further on their own efforts and that they have been continuously sending SOS messages to the government.

Our country, which had a total shipping tonnage amounting to a mere 11,000 tons in 1963, had a total shipping tonnage of 7,000,000 tons at the end of last year. A rapid expansion in line with high economic growth in the seventies put the country in the 13th place in terms of tonnage among shipping nations in the world.

The phenomenon of a rapid expansion in tonnage, especially for the eighties, is shown by the following figures: 11,000 tons in 1963; 1.2 million in 1973; 2.2 million in 1975; 3.4 million in 1977; 4.2 million in 1978; 5.2 million in 1980; and 6.8 million in 1982.

The fact that this rapid expansion occurred during a period of decline in the world shipping market was the determining factor in leading our shipping industry to depression.

As a consequence, our shipping industry companies had a deficit of 102.6 billion won in 1982 and a deficit of 107.7 billion won last year.

If they had been left unattended, they could have faced massive wreckage.

The government's shipping industry rationalization plan resulted from this background. On 12 May, 5 months after the plan was finalized and announced, "the emergency rescue operation" came to an end with deliberations on the measure by the Industrial Policy Council.

Last December the government began the emergency operation to rescue the shipping industry, which was about to run aground.

Our nation's shipping industry reached a decisive turning point when the economic Cabinet agreed on the shipping industry development plan on 7 October 1983 and the shipping industry rationalization plan was confirmed and announced on 29 December.

When the government suggested conditions for financial, systematic tax and administrative support, preferential treatment in handling foreign currency, and special support for working capital, most shipping companies gave no hint of responding affirmatively to such a large-scale plan.

Choi Hun, director of the Shipping Bureau of the Shipping and Harbors Office who assisted in drawing up this plan said: "This plan has involved patient struggle. The most difficult thing was to sustain the principle of autonomy for business, which the government proposed initially."

Chung Yeon Sae, chief of the Shipping and Harbors Office, said: "At first, we encountered difficulties because of the negative responses from persons who did not have a deep understanding of the shipping business and also from a new self-centered businessmen." He said: "The high level of understanding, however, among some shipping businessmen and the seamen's determination led the plan to a successful conclusion."

There was much agony for the shipping companies which were required to have a large-scale of operations.

Because of differences in management methods, types of ships and shipping routes among reorganized parties, it was most difficult to mesh them together. The evaluation of the companies' property, the diversion of managerial responsibilities, employee management, and the "complete absorption" of small companies were also difficult subjects.

But, the government continued its persuasion at some 20 roundtable conferences and meetings with businessmen and thus has had 95 percent participation in the reorganization plan while stressing its intention to support those shipping companies that would be consolidated.

Businessmen, too, solved by themselves one problem after another and endured hardships with the resolution: "We will once again run strong in the great sea."

The expected success of the plan was that, because it was reorganized based on route and speciality, competition, which had given the most headache disappeared. Thus, the proper cargo amount was guaranteed for the future. The internal improvement of enterprises was made possible to a degree that each company's own capital ratio was expected to rise more than 21 percent by 1988. Thus, the key point for management improvement was established.

As for management improvement, it is estimated that the capability to repay debts will rise from 1.7 trillion won in 1983 to 2.2 trillion won in 1985 and to 3.1 trillion won in 1988. The cost ratio for total sales will be reduced from 106 percent in 1983 to 99 percent in 1985 and to 95 percent in 1988.

Our shipping companies had a deficit of 107.7 billion won in 1983, but they foresee being in the black beginning in 1985 with a profit of 23.7 billion won and 131.8 billion won in 1988.

The front ranks of "shipping exporters" was rearranged in one stage. But this arrangement also points toward problems in the future.

The anticipated problem is that even though competition among the domestic companies is drastically reduced due to the rationalization arrangement, there is the possibility of now having bigger and more keen competition than the current small-scale competition as the size of companies becomes larger. There is no relief when required to compete against the shipping companies of advanced countries, especially Japan and the United States.

Further, there is the possibility of the collapse of one of the consolidated companies because of conflicting interests in the management of the companies after they were successfully reorganized in the first stage. There is also the unresolved problem of handling 1,028 persons who became jobless in the reorganization process.

Along with these problems, there is the issue of whether or not systematic tax, financial, and administrative support for participating shipping companies is sufficient for their basic improvement and for the further development of their ability to compete internationally.

For such issues, the government will revise entirely the present Shipping Promotion Law into a shipping industry development law, and is planning to systematize the granting of benefits to ship-building projects, ship importation and a major freight transportation policy as well as the opening of new shipping routes. The government is planning to have a long-term contract with 17 combined shipping companies to transport such major freight items of imports as fertilizer material, ore, grain, corn fodder, and bituminous coal for the power industry.

While the government assists the combined company to obtain as much freight as possible and systemizes to guarantee a reasonable profit, it will positively make use most of the Korea Shipping Technology Institute's expertise in coping with the world shipping market.

The government will thoroughly inspect all aspects of the rationalization plan, such as the implementing of the reorganization schedule and the disposal of real estate holdings for 17 combined companies and firmly deal with them by taking back support money from companies that do not follow the plan.

The prospect is that our shipping companies will end their long depression and be back in the black beginning next year.

This arrangement, the consolidation of shipping industries, is significant from the perspective that it has laid the foundation for a leap into an advanced shipping industry.

Of a greater significance, however, the government and business circles trusted each other and solved a difficult problem by a mutual understanding of the issues.

12486

CSO: 4107/172

BRIEFS

FOREIGN-DEBT-REDUCTION DRIVE--Seoul, 21 Jul (YONHAP)--A leading local business group said Saturday that it has decided to launch a strong foreign-debt-reduction drive with the main emphasis on substituting imported foreign goods with locally made products and conserving energy. The Federation of Korean Industries, an authoritative organization of the nation's leading businessmen, also will try to foster a sound consumer atmosphere, thus contributing to the government's effort to curb imports of consumer products, a federation spokesman said. The projected drive is aimed at cutting South Korea's foreign debt, which has been on a steady increase in recent years due to the growing trade deficit and rising international interest rates, the spokesman said. A recent government report said that the country's foreign debt is expected to reach some 43 billion U.S. dollars at the end of this year, up 2.5 billion dollars from a year ago. The spokesman noted that growing imports and burgeoning foreign debt service has threatened to deteriorate further South Korea's balance of payments, which already has long been in the red. Under the projected drive, the federation will set up a committee with relevant business organizations to encourage citizens to use domestic products while discouraging corporations from importing luxury goods from abroad, the spokesman said. The federation also will call upon local businessmen to establish mid- and long-term programs to save energy, and particularly oil, he added. South Korea imports all of its oil. [Text] [SK210207 Seoul YONHAP in English 0155 GMT 21 Jul 84]

BIOENERGY DEVELOPMENT--Seoul, 11 Jul (YONHAP)--South Korea's ruling Democratic Justice Party plans to develop a new energy source, bioenergy, for a long-term stable supply policy of energy, party officials said Wednesday. The DJP decided to develop bioenergy global energy crisis will occur in 30 years because of the exhaustion of fossil fuel, including coal and oil, if today's pattern of fossil fuel consumption continues, the officials said. [Excerpt] [Seoul YONHAP in English 0205 GMT 18 Jul 84 SK]

CSO: 4100/188

S. KOREA/SCIENCE AND TECHNOLOGY

NEW MEDIA INDUSTRIES: PRESENT, FUTURE

Seoul CHONJA CHINHUNG in Korean No 4, Vol 6, Jul 84 pp 24-27

/Article by Yi Hee-chong, vice president of Kumsung Co/

/Text/ 1. Introduction

As the economy and society develop, interest in the new media, which have emerged as a new field for the broadcasting and communication industries, grows. Particularly, as the modern society enters an age of intensified information, the traditional media industries, including not only electrical communication, broadcasting, newspaper, and publishing industries but also other industries, such as manufacturing, financial, and circulation industries, are showing a growing interest in the new media industry, which is the product of the union of computer and communications technology. Therefore, it is expected that a large market for this industry will be created in the future.

The new media are new means which make use of new technology in information disposal, information transmission, and in the input and output of data, and they have made great progress by the development of computer-related technologies and communication technology.

Especially in the advanced industrial nations of Europe, the United States and Japan, development of the instruments and systems of the new media is in progress to meet the societal demands for the wide range of information, and with the support of the renovating and rapidly advancing technologies in the areas of super LSI (large scale integration) digital, laser communication, communication satellites, and with the development of basic materials such as the semi-conductor and optical fiber.

In our country also, the government plans to set up the Domestic Integrated Information and Communication Network in the future, and to this end, the agencies in this field are conducting research. Moreover, with the 1986 Asian Games and the 1988 Olympics Games as target dates, the government is stepping up the construction of intensified communication networks and the development of the instruments and systems of the new media necessary for the intensified communication network. I will examine the present and the future of the new media industry, both in our country and abroad, by focusing on videotext, teletext, CATV, and communication broadcasting among the variety of instruments available in this field.

2. Types of New Media

The new media industry is a new means of transmitting information, and it can be a new form of information in addition to the existing ones such as newspapers, telephones, radios, and television, and it also means that the existing media acquire new functions by merging with other media or by incorporating new technology.

Table 1. Types of New Media

Types	Name	Direction
Cable New Media	Videotex	Two way
	TY Conference	" "
	Electronic Mail	" "
	CATV	One way, Two way
	TV Telephone	Two way
	Voice mail	" "
	VAN	" "
	ISDN(INS) etc.	" "
Wireless New Media	Teletex	One way
	Facsimile broadcasting	" "
	Satellite broadcasting	" "
	High Definition TV broadcasting	" "
	AM Stereo braodcasting	" "
	PCM Voice braodcasting	" "
	Voince multiplication broadcasting	" "
	Still broadcasting	" "
Package New Media	Digital Audiodisk	
	Videodisk	
	8 mm Video, etc.	

Such new media can be largely divided into three types--cable media, wireless media, and package media.

The cable new media include television conferences, videotex, CATV, home facsimile, and teletex. At present, in our country, a limited scale of CATV and television conferencing is being used, and videotex and teletex are being developed.

In the wireless category, voice multiplication broadcasting, teletex and communication satellites are included. Voice multiplication broadcasting is being experimented with for practical application, and the satellite broadcasting receiver is either being developed or is expected to be exported.

In the category of package new media, the typical merchandise includes the videotex, the digital audio disk (DAD), and the 8 mm video. As far as the DAD player goes, its trial products have already been manufactured, and other items are being studied and developed with interest by the industry.

3. Present Efforts

In this section, I will examine the present efforts and the future of the new media in our country and abroad by focusing on videotex, teletex, CATV and satellite broadcasting, which form the core among other projects which are either being tried for practical use or are already being commercialized in advanced industrial nations.

(1) Videotex

The videotex, which is a wired, two-way image information system by which the user can obtain, by means of a television monitor and telephone circuit, all types of services, not only various information references but also reservations, home shopping, and home banking in conversation form, was first used in September 1979 by BT (British Telecom) under the name of "Prestel" to provide business services centered in London. Since then, 27 countries, as of September 1983, including France, West Germany, Canada, Japan, and the United States, have either experimented with or put it into use in business services.

Europe uses the alphamosaic method. Currently, in the United Kingdom, 25,000 terminals have been disseminated throughout the country, 90 percent of which is for business. In France, the Communication Ministry (PTT) is pushing it hard as a symbol of telematic, and besides providing telephone directory service, France is planning the expansion of a variety of services, and expects a several billion dollar market for this industry. West Germany has established a videotex network by importing the gateway function, and maintains links with outside host computers. At present, more than 7,500 terminals have been spread throughout the country.

The United States, which has become serious since the opening of the "butron" service in Miami by the Night-Ridder Company and AT&T in the fall of 1983, is currently conducting various experiments and also providing various business services. In November 1983, the American National Standards Institute (ANSI) adopted the NAPLPS method as the American standard. The Canadian "Telidon," the Alphageometric method, is the mother of the NAPLPS method. For the commercial development of videotex in Canada and the United States, the ANSI and the Canadian Standards Association (CSA) issued a public announcement of the North American Standard, "ANSI x 3, 110/CSA T500" early this year.

Japan, which adopted the pattern method, has twice conducted experiments since December 1979 under the name of "Captain." Japan plans to open business services by the new captain method from November of this year, centering in Tokyo. By around 1987, the service is expected to spread throughout Japan.

In our country, early this year, the Ministry of Communication announced a plan for making videotex available for practical use, and to this end, the Korean Electric Communication Research Institute and the Korea Data Communication Co, Ltd, are expected to develop H/W, which are necessary for providing services this year to conduct experiments in the coming year, and to start to provide business services from 1986.

Because of the high cost of terminals, the burden of service fees, and the lack of service details which satisfy the interests and demands of the users, the supply of the terminals is limited for videotex as with teletex. Nevertheless, because it has the possibility for providing a variety of services, an increase in the demand for videotex is expected in the future.

(2) Teletex

Teletex, which transmits letter and image information by overlapping with television broadcasting signals, has been either in the experimental stage or in use in commercial broadcasting in France, West Germany, the United States and Japan since it was first used by the BBC in 1976. In spite of the limited volume of information it can provide in contrast with videotex, it has been widely introduced to homes because of its superiority in economic factors. Under the names of "Ceefax" by BBC and "Oracle" by the Independent Broadcasting Corporation (IBC), it is commercially broadcast in the United Kingdom, which has introduced more than 1 million terminals. Three million people are expected to use the service this year.

Under the name "Videotext," West Germany has been conducting trial broadcasting since 1980, and currently about 100,000 people use the service. France has started regular broadcasting under the name of "Antiope" since 1979, and provides information on securities, weather and living. In the United States, since April 1983, with the approval of the FCC, CBS has started commercial broadcasting in the form of NABTS under the name of "Extra Vision." Currently, there is cable teletex by KEYCOM and broadcasting teletex by NBC and CBS.

In Japan, it is called "letter multiplication broadcasting," and the NHK has been broadcasting the pattern method since October 1983 in Tokyo and Osaka. Private broadcasters will also, sooner or later, start broadcasting in code method, but in the future, broadcasting by the hybrid method is expected to be adopted.

In our country, although there has been no official announcement on this by the appropriate government agencies or broadcasters, it is learned that its technical aspects are being currently studied.

(3) CATV

CATV (Cable Television) is a wired broadcasting system which, by means of the same axis or laser cable, retransmits television broadcasting and distributes its own program.

At first, most countries developed CATV as a means of dealing with audio-visual difficulties; however, now it has been developed into a system which utilizes the two-way system and the communication satellite of its own exclusive use. It has developed into an urban type of two-way system through the use of laser cable, as in the example of the United States' Qube and Japan's Hi-Ovis.

Since a huge initial investment is required, CATV operators are troubled by the deficits. Currently, 20 percent of the total television owning families in the United States and 4 million families in Japan are getting CATV service.

In Canada, since 1970, the number of people who have joined the CATV service has increased by 10 percent every year. In Europe, CATV is mostly in an early stage.

In our country, there is no specific law regarding wired broadcasting enterprises for CATV, and cable television is permitted only when government-operated broadcasting is relayed, or during rebroadcasting. The number of facilities is about 400. Lately, with the supply of VTR, unauthorized cable broadcasting is growing rampantly.

In our country, a number of medium and small-sized industries have been installing educational CCTV and CCTV systems for hotel surveillance, but it is still in an early stage. When the laws concerning cable broadcasting enterprises go into effect, large industries will certainly participate seriously in the development of CATV, and its demand is also expected to grow.

CATV, which is gradually incorporating the security function, videotex and teletex functions, is expected to spread to 95 million households in the United States, 20 percent of the total households in the United Kingdom, and 10 million households in Japan by 1990. As conjectured thus, the number will continue to grow.

(4) Direct Broadcasting Satellite (DBS)

In satellites, there is the communication satellite (CS) and direct broadcasting satellite (DBS). The CS is an artificial satellite used as a relay station in long distance communication, and the DBS is a new form of broadcasting system in which radio waves received by the ground station are directly transmitted to individual homes.

Currently, many countries are stepping up the development of the DBS, and relatively speaking, Japan is considered to be a frontrunner among them. Between 1978 and 1980, Japan launched experimental DBS broadcasting satellites and successfully conducted various tests jointly with government and private personnel. This was followed by the launching of a DBS broadcasting satellite BS-2a which was put to practical use in January this year. In May, regular broadcasting began.

In the United States and Canada, programs are supplied to local CATV stations primarily through the CS; however, they plan to start DBS broadcasting after 1985. At present, in the United States, eight firms have obtained the permit to operate DBS broadcasting stations. Since November 1983, USCI has started DBS broadcasting on the east coast of the United States. In the case of the United Kingdom, DBS broadcasting is scheduled to begin after 1986 with BBC as its leader. European countries, including France and Germany, are also planning to start DBS broadcasting between 1986 and 1990.

In our country, the Ministry of Communication and the Korean Electric Communication Corporation conducted a study on the appropriateness of the satellite project from the end of 1981, and made a report on the findings during the New Year project plan report in February 1984. The Korean Industry Development

Institute (KID) also examined the appropriateness of the project from September 1983 to February 1984. With the DBS, PCM voice broadcasting, still broadcasting facsimile broadcasting, and high definition broadcasting (HDTV) are also possible. Japan is targeting to put it into practical use in 2 or 3 years, and the prospective market of the DBS is expected to be the largest among the new media markets.

4. Prospects

Efforts are continuing to make the new media, which has emerged as a result of striking technological progress in the fields of information and communications, and in response to the societal demands for a wide range of information, available for practical use. It also shows that the new media takes up higher technology and become more varied.

I have so far examined the present and the future of videotex, teletex, CATV and the DBS which are expected to lead the new media industry in the future in this country and abroad. Expansion of dissemination and production and development of varied new media are inevitable processes in realizing an intensified information society. Accordingly, it is expected that the market for the new media industry, the information and communication industry, and the information distribution industry will expand.

In addition to the dissemination of individual new media as cited earlier, there is the ISDN, which is a sort of integrated communication network, the completion of which is now targeted in the 1990's or 2000's by the United States, European countries, Japan and our country. This is designed to establish a communication system with a digital transmission method by integrating the present individualized communication networks into a composite digital communication network, the core of which is the optical fiber cable.

ISDN or INS can provide a variety of information services efficiently and flexibly by accommodating colorful new media, but the trend of creating such large unit information systems is believed to have great effects on the dissemination of new media systems and instruments in the future.

12474
CSO: 4107/181

S.KOREA/FOREIGN RELATIONS

REPORTAGE ON 1988 SEOUL OLYMPICS

Chon Letter to IOC President

SK230515 Seoul YONHAP in English 0436 GMT 23 Jul 84

[Text] Los Angeles, 21 Jul (YONHAP)--South Korean Sports Minister Yi Yong-ho met with president of the International Olympic Committee (IOC) Saturday afternoon here and conveyed to him a personal message from South Korea President Chon Tu-hwan.

In the message, Chon expressed his appreciation for Samaranch's firm support of and consistent attitude toward holding the 1988 Summer Olympics in Seoul.

Extending his thanks to Samaranch and other IOC members for their cooperation and encouragement for the staging of the 1988 Seoul Olympics, Chon said that the Seoul Olympic Organizing Committee (SLOOC) is making perfect preparations for the 1988 Olympic Games under the full support of the Korean Government and people, according to the message.

Chon was convinced that the Seoul Olympic torch would pave the way for the improvement of friendly relations among participating countries and the maintenance of world peace, the message said.

The Korean president also expressed his hope that the upcoming Los Angeles Olympiad would be held successfully and thus contribute to further promotion of world peace and friendship with new vitality.

In reply to Chon's letter, Samaranch told Yi that the IOC decision to honor its contract with South Korea to hold the 1988 Summer Olympics in Seoul was very natural in light of the fact that the contract between the IOC and SLOOC is an indisputable issue.

The IOC president also extended his thanks for Chon's personal message.

On July 17, Samaranch held a news conference here to end speculation that the 1988 games may be moved from Seoul.

Yi flew into Los Angeles last Friday to observe the Los Angeles Olympics and encourage South Korean athletes who will participate in the 1984 Olympic Games.

USSR Expected To Attend

SK260323 Seoul YONHAP in English 0315 GMT 26 Jul 84

[Text] Los Angeles, 25 Jul (YONHAP)--The Soviet Union is expected at the moment to attend the 1988 Seoul Summer Olympics, International Olympic Committee (IOC) director Monique Berlioux said Wednesday.

Berlioux told reporters in a news briefing that the Soviet Union assured the international sports organization of its support of the Olympic movement in the future.

Speaking at the full session of the 88-member IOC meeting that opened here Tuesday, two IOC members from the Soviet Union threw their support behind the international solidarity of the Olympics, she said.

In connection with IOC President Juan Antonio Samaranch's visits to Moscow and Seoul following the Los Angeles Olympic Games, she said that Samaranch will submit a report on the results of his tour of Moscow and Seoul to an extraordinary general meeting scheduled for late this year, Switzerland.

The participants in the IOC's full session in Los Angeles agreed that its special session would be convened in Lausanne, Switzerland, in late November or early December and that future Olympics should not be hampered by any political consideration, she added.

The upcoming Lausanne extraordinary general meeting will discuss the imposition of sanctions against boycotting nations in future Olympics, Berlioux said.

The IOC's nine-member executive board took the first step Monday to make participation in future Olympic Games compulsory for all member states--but postponed a decision on how to enforce the new anti-boycott rule.

Communist Participation Urged

SK260112 Seoul THE KOREA TIMES in English 26 Jul 84 p 4

[Editorial: "Olympic Participation"]

[Text] On the eve of the opening of the 23d Olympiad in Los Angeles this weekend, the International Olympic Committee (IOC) has formally taken up the sensitive yet imperative issue of how to ensure the full participation by its member states in future Olympic Games.

According to an anti-boycott rule, tabled to the current IOC general meeting after having been unanimously adopted by the committee's executive board this week, all member nations would be obliged to take part in the Olympics, beginning in the 1988 games in Seoul, and a boycotting state would be penalized in the form of suspension from subsequent games.

Final specifics of the penalties are to be fixed by the IOC full session, possibly at its next meeting in June 1985. But an informal consensus was reported to support the suspension of the failing nation's participation in at least two subsequent games.

In a sense, such a penalty as coercive suspension may not appear to be the most desirable way of encouraging all nations to take part in the world sports festival.

However, it is undeniable that problems involving the Olympiad have been aggravated over the past dozen years to the extent of necessitating the adoption of a firm principle of compulsory participation, armed with effective penalizing steps as an inevitable countermeasure.

In the words of the IOC executive director, suspension is "about the only measure" the committee can take to meet the worsening situation.

How to save the Olympics from surging tides of power politics, ensuring the future survival of the games with its noble causes intact, has indeed become an overriding question the world community faces today.

The Olympic movement has been seriously marred by political blows dealt on three consecutive occasions: the mass walkout by the African countries at the 1976 Montreal Olympics, the U.S.-led boycott of the 1980 Moscow games, and the Soviet-led boycott of the Los Angeles event this year--all for political reasons.

These continuous political interferences reflect the disharmonious world order, which is divided into power blocs espousing different ideological and social systems.

But, conversely, that strained global situation calls for the bigger need for such a forum as the Olympiad, aimed at promoting international friendship and understanding through an exhibition of athletic champions, to keep the torch of peaceful unity kindled.

In this task, a positive IOC role to restore the true Olympic movement, like the compulsory participation rule, can be taken as imperative.

We Koreans are particularly concerned about how the compulsory rule will be fixed because the provision, once established, will begin to be applied to the Seoul Olympics four years from now.

It is reassuring that the IOC authorities, including its president, have reaffirmed on numerous occasions that the 1988 Olympics would be held in Seoul as decided on in 1981, despite obstructive moves largely among the Soviet-bloc states.

Seoul has already made it clear that all nations, transcending differences in their ideological and political orientations, are welcome. It is

cautiously seeking improved relations with the Soviet Union and other communist states, despite the Soviet downing of a Korean airliner last September, while being ready to resume talks with North Korea for the formation of a joint team for the Seoul Olympics and other international sports events.

Our ardent hope is that all ways and means, including a practical and mutually agreeable directive for the full participation of member states, will be meted out to make the Seoul games not only a success but a milestone in reviving the true Olympic movement.

Daily Hails IOC Move

SK260130 Seoul THE KOREA HERALD in English 26 Jul 84 p 4

[Editorial: "No Politics in Olympics"]

[Text] Our attention is now drawn to what conclusions will be reached in the discussion of a pivotal issue for the future of the Olympics at the general meeting of the International Olympic Committee being held in Los Angeles.

On Monday, the IOC's nine-member executive board unanimously approved in principle a change in the Olympic rules under which national Olympic committees would be penalized for failing to participate in future Olympics. This resolution is now before the general meeting for endorsement. If approved by the general meeting, which is certain, the rule will be enforced beginning with the 1988 Games in Seoul.

Needless to say, such a move by the IOC is designed to prevent the Olympics from being boycotted for political reasons, thereby ensuring the continued survival of the Olympic movement.

The Olympics held since 1976 have been impaired by boycotts. The Montreal Olympics in 1976 were boycotted by nearly all African countries in protest against the participation of New Zealand, which maintained sports with South Africa at the time.

The Olympics held since 1976 have been impaired by boycotts. The Montreal Olympics in 1976 were boycotted by nearly all African countries in protest against the participation of New Zealand, which maintained sports contacts with South Africa at the time.

The Moscow Games in 1980 were boycotted by the United States and many Western countries in protest against the Soviet invasion of Afghanistan. The Los Angeles Olympiad that will open Saturday is marred by the boycott of the Soviet Union and its followers in apparent retaliation for that of the United States four years ago.

Right after the announcement of the boycott by Moscow in May, IOC President Juan Antonio Samaranch stated, "We have to accept that the world is divided into two, with quite different political and sporting systems. We in the IOC must try to be a bridge."

As a matter of fact, the IOC led by Samaranch has been faithful in fulfilling its role to heal the antagonism between political power blocs and protect the Olympics from harm.

It is understood that the attempt by the IOC executive board to include a punitive measure in the Olympic rules against boycotting countries is a last resort to protect the Games.

Although concrete measures will not be agreed to in the present general meeting, any resolution the meeting takes toward approving the principle will be an epochal step in Olympic history.

Although concrete measures will not be agreed to in the present general meeting, any resolution the meeting takes toward approving the principle will be an epochal step in Olympic history.

The IOC is expected to use part of its huge television-funded resources to subsidize teams from the poorer countries so that compulsory Olympic participation will not be too heavy a financial burden on them.

The current enthusiasm of the IOC for protecting the Olympic movement is a result of its awareness that the Seoul Games in 1988 must proceed as scheduled. Guaranteeing the success of the Seoul Olympics is a necessary cornerstone to ensuring the future of the entire Olympic movement.

Korea, as the host country of the 1988 Olympics, has a special responsibility for sharing efforts with the IOC to make it a success in order to satisfy the world's hopes for the Olympics.

In the current general meeting, Korean delegates, headed by Seoul Olympic Organizing Committee (SLOOC) president No Tae-wu, will detail Korea's dedication to the spirit of the Olympics.

The SLOOC has already informed 154 IOC member countries that it will do its utmost to guarantee the participants' safety in 1988 and will provide maximum facilities for all participants.

The SLOOC is willing to perform any host country conditions imposed by the IOC general meeting.

We hope that the IOC move to ban future Olympic boycotts will result in full participation of the member countries in the 1988 Games in Seoul.

IOC Members Urged To Attend

SK270623 Seoul YONHAP in English 0548 GMT 27 Jul 84

[Text] Los Angeles, 27 Jul (YONHAP)--All the member countries of the International Olympic Committee (IOC) will be invited to the 1988 Seoul Olympics, No Tae-u, president of the Seoul Olympic Organizing Committee (SLOOC) said here Thursday.

Reporting on the preparations for the Seoul Olympics to the IOC general meeting at the Los Angeles Biltmore Hotel, No stressed that the absence of diplomatic relations could not justify the non-participation in the Olympics and he made it clear that South Korea will invite all IOC member nations to the Seoul international sports gathering.

The IOC general meeting is being held during the 23d Summer Olympics in Los Angeles.

One of the most important roles of the IOC is to provide a forum of dialogue and understanding through sports among countries of different ideologies, No stressed.

The Korean Government and its people will do their best to pave the way for realization of the Olympic ideal under the motto of reconciliation and progress, he said.

Preparations for the Seoul Olympics are going well and the Korean Government and people have been doing their utmost for the success of the 24th Summer Olympics, No said.

He said the main stadium in the Seoul sports complex will be opened September 29 this year with world sports leaders, including IOC President Juan Antonia Samaranch, attending. All facilities except the athletes' and press villages will be completed before 1986, he said.

Saying that the Seoul Olympic Organizing Committee would reduce the financial burden of participating national Olympic committees in the Seoul meet, No revealed that negotiations for TV rights for the Seoul Olympics will be resumed after the Los Angeles Olympics.

Soviet Sports Scientist

SK250140 Seoul THE KOREA TIMES in English 25 Jul 84 p 7

[Text] Los Angeles--One of four Soviet sports scientists who attended the Olympic Scientific Congress told the Korean delegation that he hoped to participate in the next congress to be held in Seoul in 1988. The Soviet sports scientists is a professor at Moscow University.

Meanwhile, the 17-member Korean delegation to the congress exchanged a wide range of opinions about sports science with 200-odd foreign sports scientists in a reception hosted by the Korean at the Hilton Hotel in Eugene City, Oregon, Monday (July 23).

Yi King-so, a Seoul National University professor and four other Korean professors presented scientific papers to the congress.

IOC President Supports Seoul Olympics

SK270830 Seoul YONHAP in English 0705 GMT 27 Jul 84

[Text] Los Angeles, 26 Jul (YONHAP)--Juan Antonio Samaranch, president of the International Olympic Committee (IOC) and all other IOC members are giving full support and encouragement to South Korea in successfully hosting the Olympics in 1988, a high ranking South Korean sports leader said here Thursday.

No Tae-u, president of the Seoul Olympic Organizing Committee (SLOOC), made the remarks at a news conference after having reported on preparations for the Seoul meet on an IOC general meeting at Los Angeles Biltmore Hotel.

The IOC meeting gave the final approval for holding the 24th Summer Olympics in Seoul September 17-October 2, 1988.

No said that Seoul will continue to extend contacts with IOC member nations in its bid to promote sports exchanges with North Korea and to further develop the Olympics.

No also expressed South Korea's hope that the Olympic Games would contribute to easing tensions between the East and West blocs and to improving their mutual relations.

CSO: 4100/188

S.KOREA/FOREIGN RELATIONS

BRIEFS

EMBASSIES--Seoul, 19 Jul (YONHAP)--The South Korean Government revised regulations governing the name, location and sphere of jurisdiction of Korean embassies and legations abroad and decided to move the Korean Embassy in Saudi Arabia from Jidda to Riyadh at a cabinet meeting Thursday. A consulate general will be established in Jidda to replace the embassy. According to revised regulations, the government will also establish a consulate general in Macao, a Portuguese enclave in China and an embassy in Guinea-Bissau. The consulate general will be under control of the consul general in Hong Kong and ambassador in Senegal respectively. [Text] [SK200452 Seoul YONHAP in English 0716 GMT 19 Jul 84]

AMBASSADOR TO BELGIUM--Seoul, 16 Jul (YONHAP)--The South Korean Government Monday appointed its ambassador to Belgium, Sin Chung-sop, to be ambassador concurrently accredited to the European Community, the Foreign Ministry said. [Text] [SK200452 Seoul YONHAP in English 0901 GMT 16 Jul 84]

GUATEMALAN AMBASSADOR--Seoul, 20 Jul (YONHAP)--The Guatemalan Government has appointed Edgar Arturo Lopez Calvo, former ambassador to Taiwan, as its first full ambassador to South Korea, a Foreign Ministry spokesman said Friday. The spokesman also said that Zaire has named its current ambassador to Japan, Kamitatu Massamba Kalamba, to serve concurrently as ambassador to Seoul. [Text] [SK200452 Seoul YONHAP in English 0156 GMT 20 Jul 84]

CSO: 4100/188

N. KOREA/POLITICS AND GOVERNMENT

KULLOJA TABLE OF CONTENTS JULY 1984

SK250737 Pyongyang KULLOJA in Korean Jul 84 p 1

[Text] Let Us Further Deepen the Three-Revolution Team Movement in Accordance With the Development of Situation.....	2
Creativity Is the Fundamental Feature of Our Party's Activities.....	
..... Chong Song-chol	8
The Noble Achievement Which Paved New Way to the Nation's Unity Under the Banner of Independence and Sovereignty: On the Occasion of the 90th Birthday of Mr Kim Hong-chik--the Indomitable Revolutionary Fighter.....	Pak Kyu-sok 14
Political and Ideological Superiority Is the Intrinsic Nature of the Revolutionary Army and the Source of Invincible Might.....	
..... Yi Pyong-yong	20
The Noble Spiritual and Moral Traits and Cultural and Artistic Knowledge of the Chuche-Type Communists.....	Kang Kwang-kun 25
Korean Painting and Building of Chuche Fine Art	Yang Yon-kuk 30
Socialist Construction and Rational Labor Organization	Yun Mun-yong 35
Independent Accounting System Is the Systematic Operational Method of Socialist State-Run Enterprises.....	Choe Won-chol 40
Rational Utilization of Cost Factors in Industrial Management...	Han In-ho 40
In the Fraternal Parties: Quality Is the Yardstick of the Growth of Man, Organization, and Society.....	Todor Zhivkov 50
The Decadent Trend of the End of the Century Which Is Prevalent in South Korea.....	An Ki-chung 57
The Contemporary Bourgeois Economic Theory Opposing the Establishment of New International Economic Order.....	Kim Su-yong 60

CSO: 4110/132

N. KOREA/ECONOMY

IMPROVEMENT OF ECONOMIC LEADERSHIP, MANAGEMENT STRESSED

Pyongyang NODONG SINMUN in Korean 19 Mar 84 p 2

[Article by Yi Ch'un-kil: "Improving Economic Leadership and Management Is an Important Guarantee for Bringing About an Upswing in Production and Construction"]

[Text] In a letter from the [Party] Central Committee addressed to all party members, our party presented the militant program to energetically promote the basic construction of the five battle fronts and to bring into full operation factories and industrial plants in all the sectors of the people's economy and provide a higher standard of living for the people.

Successful achievement of this program is a very important means to strengthen the nation's economic power, promote the superiority of the socialistic system and demonstrate the power of the revolutionary march, united under the guidance of the party and our leader.

One of the important keys to bring this program of economic development to a successful conclusion is continuous improvement in the guidance and management of the people's economy.

The great leader Comrade Kim Il-song instructed us as follows:

"This year, we have to drastically improve the guidance and management system for the people's economy."

It is a rational requirement of socialist economic development to ceaselessly improve the guidance and management of the people's economy by thoroughly carrying out the guidance and management principles which have been provided by the beloved leader Comrade Kim Il-song.

The guidance and management principles of the socialist economy provided by the great leader call for close unity between the party's political work and economic organizations, an appropriate combination between collective leadership and the unitary command to enable us to thoroughly accomplish both unified and detailed plans, and to attain correct results in the self-supporting accounting system. Explained in this principle are all the basic problems which must be faced in order to strengthen the unitary leadership of the party and

nation and to guide and manage the socialist economy, ranging from the work to promote the producers' ideas and enthusiasm for the economic system's operation and industrial management methods.

Therefore, only when we firmly establish this principle, can we successfully mobilize party members and workers for the accomplishment of economic tasks and more effectively and scientifically perform economic management.

Owing to our party's judicious leadership, our country is now well prepared with all the conditions and possibilities to bring positive improvements in guidance and management of the people's economy by applying the principle of socialist economic guidance and management. The thorough establishment of the new economic management system and of the superior systems which can normalize financial administration and toutinizing industrial management serve as the solid bases to raise production and management activities to a highly scientific and rational level. The important issue is whether economic leaders can carry out economic organization work and production guidance work with a great sense of responsibility. All the economic guidance workers must bring about a great upswing in the socialist economy by decisively improving the guidance and management of the people's economy through the realization of the superior economic management policy set forth by the party.

By this means, we must have epoch-making progress to attain the goals of the Second Seven-year Economic Plan and to fulfill the 10 great objectives. Making a decisive improvement in the guidance and management of the people's economy becomes meaningful only when all factories and enterprises accomplish without fail their daily, weekly, monthly and quarterly tasks in the national plans.

In socialist economic construction, factories and enterprises are the basic combat units of production. When production from individual enterprises becomes normalized and the national plans are carried out on time, the production and construction of the overall people's economy can grow continuously without any delay or stagnation. Quickening the basic construction on the five battle fronts and greatly uplifting the people's living standard ultimately depend upon how individual factories and enterprises accomplish their planned tasks.

The nation's plan which is allocated among individual factories and enterprises represents a positive and mobilizing program established on the basis of a careful calculation of national needs and on the concrete conditions of production units. In order to accomplish this program on time, we must rationally organize production and work processes, and maximize the production capacity of industrial enterprises. Therefore, without making efforts to improve and strengthen economic guidance and industrial management, we cannot expect enterprises to accurately carry out their tasks according to daily, weekly, monthly, quarterly and indexed time tables.

The guidance and management of the people's economy are the functions of the organization and command for social production. Only when these functions are accurately fulfilled, can we take the scientific and rational measures and

executive them for production and management activities, ranging from the planning of the people's economy to the producing of goods.

By carrying out the work of securing raw material, resources and fuel, which is the first step of the production process, in accordance with the requirement of the Taaan work system, we can guarantee the full operation of the machine facilities. In this way, we can also effectively utilize labor, resources and capital, and maintain very strict cooperative production regulations. Thus, all factories and enterprises can positively contribute to the development of the people's economy and the improvement of the people's living standard by routinizing their high production level and satisfactorily fulfilling each individual's duty.

Only when we improve the guidance and management of the people's economy can we make the maximum mobilization and utilization of the existing production potential.

The effective use of the existing production base is a constant factor for production increase.

This is a key to the shortening of production cycles, the enhancement of effectiveness in the nation's investment, and the maintaining of continuous progress in socialist production expansion.

Today, our party emphasizes the performance of this year's militant program by positively carrying out the internal reserve mobilization work in all areas of the people's economy.

Now, our country is solidly equipped with a strong independent economic base that can produce, with its own power and technology, anything necessary for economic development and people's livelihood. After following the course of self-reliance, modernization and scientific development of the people's economy, its internal organizations and production facilities became fully completed, and the technical equipment reached a highly modernized level. Even with this existing economic base, we will be able to expand further in production and construction from what we have now and to improve the material and cultural life of the workers.

A nation's infinite production potential never rises by itself. It can rise only through a systematized operation and command which can satisfy the requirements of the socialist economic principles, maintain correct productive relationships among various sectors of production, and bring to full capacity the operation of factories and industrial enterprises. Rising in this context is a demand for making a decisive improvement in the guidance and management system for the people's economy.

Only by making a decisive improvement in the guidance and management of the people's economy in accordance with the Taaan system, can we effectively manage labor organizations, insure facility maintenance services, financial management and the security of resources, thereby saving the existing facilities, resources and efforts to a great extent and using them for maximum

production. This is an important method of systematically lowering the basic cost of goods and continuously raising production and profit per worker.

Even though the task for struggle posed a heavy burden at the time when the nation was clamoring for the great construction of socialism, we could still make an epochal advancement in the economic development by launching gigantic-scale works in a bold stroke and by judiciously handling economic organization work and production command. At that time, our workers unfailingly followed, by strongly upholding the speed battle policy presented by the party, the organizational guidance work which was established in order to mobilize the people's infinite creative wisdom and their material and technical resources to the maximum level, while energetically pushing the ideological and technical revolution. Should the workers display their unchanged fighting spirit of those days and carry out the economic organizational work and production command, our country will achieve the greatest upswing in production and construction, and consolidate the economic power better than ever before.

In this way, where there is a definite improvement in the guidance and management of the people's economy, there is great potential for the economic uplift, and there is an important guarantee for the successful achievement of the economic tasks before us.

Doing a good work in economic guidance and entrepreneurial management does not mean simply doing a good work in practical economic activities, such as increasing production or quickening construction; it involves an important political work of proving the justification and power of the socialist economic guidance and management principles presented by the party. All the workers should clearly understand the importance of improving the guidance and management of the people's economy and they must bring about a new resolution in this task.

By strongly rallying the masses for the speed campaign of the 80's with an emphasis on political and interpersonal works, and by becoming knowledgeable in the economic organizational work and production command, workers must make continuous revolution in every battlefield of the socialist economic construction.

By solving all the problems arising from production and construction processes with collective wisdom and efforts, heightening the roles and responsibilities of the members of the production command, doing planning work correctly, and accurately administering the self-supporting accounting system, we must carry out the task of economic management in a more scientific and rational way. By this means, we must successfully accomplish the economic program indicated in the Party Central Committee's letter to all party members, thereby quickening the construction of socialism.

12684

CSO: 4110/093

N. KOREA/FOREIGN RELATIONS

BRIEFS

O KUK-YOL AT NICARAGUAN RALLY--According to a report, the fifth anniversary of the victory of the revolution was grandly observed in Nicaragua on 19 July. Various commemorative functions, including a mass rally, were held in Managua on the same day. The mass rally was attended by approximately 350,000 people from the capital and other parts of the country. Invited to the rally were a party and government military delegation of our country led by Comrade O Kuk-yol, member of the WPK Central Committee Political Bureau and the chief of the General staff of the KPA, and party and state delegations from approximately 40 countries. Daniel Ortega, member of the National Directorate of the Sandinist National Liberation Front (FSLN) and coordinator of the Junta of the Government of National Reconstruction, addressed the mass rally. The participants in the rally expressed their firm support for the revolutionary successes attained under the leadership of the FSLN. [Text] [Pyongyang Domestic Service in Korean 2200 GMT 22 Jul 84]

CSO: 4110/139

END